

In recent years, many laws have changed affecting nonprofits. Many are asking, “Are we in compliance?”

Here’s a brief overview of what every board should have documented and periodically reviewed:

1. Articles of Incorporation
2. Board calendar (meetings and organizational events)
3. Board Resolutions/Minutes Book
4. Bylaws (include board liability and indemnification language)
5. Compensation documentation (executive and other staff)
6. Executive evaluation plan
7. Liability insurances (director and officer, general, volunteer, etc)
8. Risk evaluation and management systems
9. Board member handbook (policies and procedures including, but not limited to)
 - a. Advocacy and lobbying
 - b. Attendance and dismissal
 - c. Audit process and auditor selection
 - d. Communication during a crisis
 - e. Conflict of Interest Policy
 - f. Whistleblower Policy
 - g. Document Retention Policy
 - h. Executive transition plan (emergency and planned)
 - i. Committees (purpose, structure, goals, and activities)
 - j. Board transition (term limits, recruitment, selection)
 - k. Orientation, training and evaluation of board members

Every 501(c)(3) must file a Form 990 every year. If you do not file Form 990 for three consecutive years, you will lose your 501(c)(3) status.

- If gross receipts are \$50,000 or under, you may file Form 990-N, Electronic Notice(*E-Postcard*)
- If gross receipts are under \$200,000 and total assets are under \$500,000, you may file Form 990-EZ

Congress continues to work on legislation to increase transparency and accountability for 501(c)(3) organizations. Anticipated changes in 2013 include:

- Requiring the CEO to sign/certify the accuracy of the Form 990
- Requiring charities to change auditors at least once every five years
- Enhanced disclosure of performance goals (to be set by charity’s board)
- Include requiring additional reporting to the IRS for organizations whose administrative expenses exceed 10% of total expenses
- Require that charities post Form 990’s on their own websites

Both ONEplace@kpl and Volunteer Kalamazoo offer training opportunities for board members.